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Office Memorandum

★ TULARE COUNTY

TO : Each Board Member

DATE: April 26, 1978

FROM : Art Alexander *Am*

SUBJECT: Inflation and Proposition 13

Proponents of Proposition 13 have been suggesting that the cost of Government is going up faster than everything else. In the April 24, 1978 issue of Time Magazine an article appeared covering inflation. After reading the article I wondered how County Government compared to other sectors of the economy during the past 10 years. The following data appeared in Time:

THE COSTS OF LIVING

NEW CAR
(average price)
1977-\$6,120
1972-\$3,690
1967-\$3,200

CLOTHING
(price index)
1978-156.8
1972-122.3
1967-100

MEDICAL CARE
(price index)
1978-213.3
1972-132.5
1967-100

NEW HOUSE
(median price)
1978-\$53,300
1972-\$155
1967-\$122

HOME REPAIRS
(price index)
1978-239.5
1972-178.0
1967-147.9

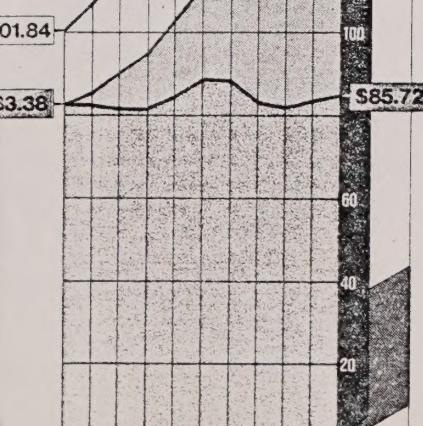
MORTGAGE*
(av. monthly payments)
1978-\$430
*Includes tax and insurance payments

GROCERIES
(weekly bill per family of four)
1977-\$67
1972-\$43
1967-\$35

NO REAL GAIN

Average weekly wage for a non-supervisory production worker

Gross wage in current dollars
Take-home pay in current dollars
Take-home pay after inflation, in 1967 dollars



In 1967-68 the County property tax requirements were \$14,851,132 compared to \$25,933,671 in 1977-78 -- an increase of 75%. The other sectors of the economy look like this:

| | | |
|-------------------|------|----------|
| New Cars | 91% | Increase |
| Clothing | 57% | Increase |
| Medical Care | 113% | Increase |
| New Houses | 135% | Increase |
| Fuel | 125% | Increase |
| Home Repairs | 140% | Increase |
| Mortgage Payments | 182% | Increase |
| Groceries | 91% | Increase |
| Weekly Wages | 86% | Increase |

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Outside of clothing, the best buy today is County Government.

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